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ABSTRACT

This document explains the concept of sectoral employment strategies and profiles 13 successful work force development programs based on such strategies. The first half of the document examines the increasing need for sectoral employment strategies and their key characteristics, role in achieving systemic change in work organizations, and benefits. First, the following key attributes of sectoral employment strategies are discussed: target an occupation or cluster of occupations within an industry; seek to become an important and influential actor in that sector; and intervene to benefit low-income workers by connecting individuals to better jobs and achieving system labor market changes that benefit low-income workers more broadly. Discussed next are the following: activities typically used in sectoral employment programs (training; business development; organizing; and research and policy analysis); qualities demonstrated by organizations that have successfully achieved systemic change; and factors constraining the implementation of sectoral strategies (economic changes that are reducing incomes and job security; increasing complexity and pace of change; and public policy's movement away from long-term, flexible support). The remainder of the document consists of profiles of 13 sectoral employment strategy-based work force development programs in a diverse group of economic sectors in 14 states. (MN)

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Sectoral Employment Field Report

Mark Elliott and Elisabeth King

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Sectoral Employment Field Report

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Acknowledgments

This report attempts to shed light on how sectoral employment programs can effect systemic change in the labor market. Although pursuing systemic change has been a key attribute of sectoral employment initiatives, it has remained an ambiguous concept, lacking definition and a conceptual framework.

Labor Market Leverage builds on the excellent report by Peggy Clark and Steve Dawson, *Jobs and the Urban Poor: Privately-Initiated Sectoral Employment Strategies*. In a sense, *Labor Market Leverage* is intended to serve as a companion to *Jobs and the Urban Poor*, which defines sectoral employment, describes a number of the more advanced sectoral employment initiatives, and illustrates several of the key challenges facing sectoral employment practitioners.

All but three of the organizations included in the report are participating in the Charles Stewart Mott Foundation's Sectoral Employment Initiative, which Public/Private Ventures is evaluating. The others—Cooperative Home Care Associates, the Garment Industry Development Corporation and Focus: HOPE—are included because they exemplify a particularly powerful approach to systemic change. The authors thank the staff of all organizations included in the report for their many valuable suggestions and corrections.

Many of the ideas expressed here reflect countless conversations with people long involved in the sectoral employment field, including Peggy Clark, Steve Dawson, James Head, John Foster-Bey, Craig Howard, Amy Kays, Frieda Molina, Rick Surpin and our colleague at P/PV, Joe Stillman. Thanks to all of you for helping refine thoughts that were often incomplete.

Most of all, we would like to thank the Charles Stewart Mott Foundation for including P/PV in the Sectoral Employment Initiative, particularly Jack Litzenberg, for his interest in defining and advancing the sectoral employment field.

Dedicated to the memory of
Jim Lund
Executive Director of
Project QUEST
1995-1998

Executive Summary

Rapid economic change over the past 25 years has dramatically altered the character and performance of the labor market. The increased importance of job skills, the suburbanization of many employment opportunities, the rise of service industries, the growing reliance on contingent labor, and the decline in union representation have had an enormous impact on who is hired, how much they are paid, and how long they are employed. Although these changes have brought genuine benefits to some workers, for many others, particularly those with low skills, finding their way to jobs and careers that will enable them to attain a decent standard of living is becoming even more difficult.

In this economic context, new workforce development strategies are needed to keep pace with economic change and intervene in labor markets in ways that benefit workers. Sectoral employment strategies are one promising approach. Though sectoral strategies vary considerably, they share key attributes:

- They target an occupation or cluster of occupations within an industry or sector of the economy;
- They seek to become an important and influential actor in that sector; and
- They intervene to benefit low-income workers by connecting individuals to better jobs and by achieving systemic changes in the labor markets that benefit low-income workers more broadly.

Sectoral employment strategies seek to achieve systemic change by influencing such key actors as employers, the public sector and education/training entities so that workers in the targeted occupations benefit. Sectoral initiatives encompass a diverse range of strategies, including training, business development, organizing, and research and policy analysis, several of which may be combined in order to effect change.

Organizations that have demonstrated the ability to achieve systemic change are characterized by five qualities: **expertise** in the targeted sector, **leverage** through organized members or financial resources, key **allies** in the sector, the ability to **adapt** to change, and the capacity to **persevere** over the long term.

At the same time, the effectiveness of even the most promising sectoral strategies is constrained by three critical factors:

- Economic changes are reducing the incomes and job security of low-skill workers;
- The increasing complexity and pace of change makes it more challenging to intervene in labor markets; and
- Public policy is moving away from the long-term, flexible support that is essential for launching such initiatives.

Sectoral Employment Programs

1 **Project QUEST**
San Antonio, Texas

2 **Good Faith Fund**
Pine Bluff, Arkansas

3 **Garment Industry Development Corporation**
New York, New York

4 **Cooperative Home Care Associates**
South Bronx, New York

5 **Primavera Services, Inc.**
Tucson, Arizona

6 **New Hampshire Community Loan Fund**
Concord, New Hampshire

7 **Working Partnerships USA**
San Jose, California

8 **ARCH Training Center, Inc.**
Washington, D.C.

9 **Focus: HOPE**
Detroit, Michigan

10 **Westside Industrial Retention and Expansion Network**
Cleveland, Ohio

11 **Training, Inc.–Essex County College**
Newark, New Jersey

12 **Direct Action for Rights & Equality**
Providence, Rhode Island

13 **Philadelphia Area Accelerated Manufacturing Education, Inc.**
Philadelphia, Pennsylvania

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Introduction

Continued job growth, low inflation and lofty stock prices are contributing to what some have called a perfect economy. While such optimism will fade if we enter a prolonged recession, many people have seen their incomes and assets grow because of strong economic trends. But to job seekers and low-wage workers without an advanced degree the perfect economy is far distant.

Nearby manufacturing jobs that employed earlier generations have either disappeared or are filled through informal networks that exclude local residents. Well-paying jobs require more than a high school degree, but many unskilled career seekers do not know how or where to get the right training; the only jobs available are in poorly paid service-sector occupations that offer few benefits and, more important, present little opportunity to learn and advance. In sum, local economies and labor markets have become considerably more complex and difficult to fathom, particularly for the unskilled. As Bennett Harrison and Marcus Weiss point out, "It is becoming increasingly clear that there is practically no way that low-income, already socially ostracized individuals—no matter how highly motivated—can single-handedly reconstruct and negotiate a city's map of social and business connections."[1]

Employers are also paying a price. Ongoing technological advances in production, combined with the tightest labor markets in a generation, have made it exceptionally difficult to find qualified entry-level workers. And employers' concerns about the quality of applicants for entry-level jobs are matched only by their worries about the caliber of their current employees.[2]

The Challenge Facing Workforce Development

In this context, workforce development organizations have an opportunity to help both low-income job seekers and their potential employers navigate the increasingly turbulent currents of today's labor market. Most organizations achieve this simply by preparing and connecting workers to job openings that more or less match their interests and abilities. The level of investment in the individual prior to employment varies, as does the method of connecting them to jobs, but, fundamentally, the mechanism of helping employers find staff and workers gain employment proceeds job applicant by job applicant.

This retail approach to workforce development has much to be said for it: organizations can tailor their work to employers and job seekers, creating the opportunity for a better match than might otherwise occur. It also provides workforce entities with a practical feel for what works and what does not, allowing for program change and improved performance. Nevertheless, the one-on-one approach has two major disadvantages: it cannot respond to the prevalence of low-wage and contingent employment opportunities that characterize entry-level positions in many industries and, even under ideal circumstances, it rarely adds up to much. If we hope to make significant progress in affecting how well labor markets perform, new approaches will be needed that go beyond the traditional individual training and placement strategy.

Sectoral Employment Strategies

Unlike most workforce programs, which even when successful merely respond to changes in the labor market, sectoral employment programs aim to affect labor market outcomes. Sectoral employment practitioners understand intuitively the irregularity and complexity of the labor market, as described by Tilly and Tilly:

> Conventional treatments of work and labor markets place them on a flat, homogenous terrain… marked only by intersections between neat curves of supply and demand. We have looked closely at the terrain and found it pitted, riven and undulating, full of inequality, segmentation, segregation, conflict and coercion.[1]

Much of the irregularity and fluidity of the labor market is not random but results to some degree from the decisions and behavior of key labor market entities, including employers, unions, government agencies, educational and training institutions, and other employment brokers, such as staffing agencies. Sectoral employment strategies seek to benefit low-income workers and job seekers by influencing the actions of these entities, thereby changing the terrain Tilly and Tilly describe.

From a workforce practitioner's standpoint, this terrain is not only undulating but is also occasionally rocked by large earthquakes. To smooth the undulations requires an intimate knowledge of the sector, good relationships with key players, and a keen sense of where and how to intervene. Some might ask, "Why bother?" The answer is because achieving broader sectoral impact addresses two key concerns of the workforce field. First, sectoral strategies can intervene in low-wage occupations, which most training programs ignore. Second, these strategies enable workforce entities to "reach scale." In most situations, achieving scale means getting big. But training a large number of people is often not possible given funding limitations and is undesirable when expansion hurts performance. Sectoral approaches seek to achieve scale by affecting the behavior and performance of other key labor market entities, to the benefit of low-wage workers. In an era of constrained resources for employment programs that serve the disadvantaged, such strategies take on added importance. The purpose of this paper is to shed light on how sectoral employment strategies pursue systemic change and what characteristics enable them to succeed.

Sectoral Employment Defined

Successful sectoral employment programs understand and intervene directly in local labor markets in order to benefit low-income workers. These strategies vary substantially from each other but share some key characteristics:

- They target an occupation or cluster of occupations within an industry or sector of the economy;
- They seek to become an influential actor in that sector; and
- They intervene to benefit low-income workers by connecting individual participants to better jobs and by achieving systemic changes in the labor market that benefit low-income workers more broadly.[2]

While there is considerable diversity in the approaches that are or might be taken by programs with these key characteristics, sectoral employment initiatives tend to fall into two broad categories. The more common strategy seeks to improve the access of low-income workers to good occupations in the targeted sector by overcoming the barriers that prevent them from getting those jobs. This is usually accomplished by providing participants with the specific skills needed to qualify for such jobs, and by developing strong relationships among key organizations, usually employers and educational institutions, so that low-income people can prepare for and enter the targeted occupation(s). The second type of sectoral program focuses on restructuring jobs that are already accessible but offer poor pay, low benefits and little job security—usually service-sector positions in such areas as child

care and home health care. In their efforts to benefit workers in these occupations, programs often make policy advocacy and organizing central components of the strategy.

Although many training programs for the disadvantaged target specific occupations within an industry, what distinguishes sectoral employment programs is that they focus on a single set of occupations within one industry and seek to achieve broader labor market impact within that industry. A single-industry focus enables organizations to become knowledgeable about the industry, develop strong long-term relationships with its key institutions, and become players in policy debates affecting the sector. Such knowledge and expertise enable programs to sense important changes in the industry that will affect overall demand for workers and the skill requirements of particular occupations. Adapting quickly and effectively to such changes is the hallmark of all good employment programs, and is a particular characteristic of successful sectoral initiatives.

Of course, the sectoral approach has risks. First, an organization's reputation becomes well-known in a single sector because most actors in any one sector are likely to interact and exchange information. For strong organizations, such interaction is positive. They quickly become known for delivering a quality product; poor performers, however, become known just as quickly. Second, focusing on a single sector subjects an organization to the ups and downs of that sector. Not only does demand for workers fluctuate, but the nature and quality of particular occupations can turn good jobs into bad ones seemingly overnight. General training organizations can simply shift to more promising industries; sectoral employment initiatives must face such changes head on and figure out how to adapt while maintaining their overall mission. (A few sectoral employment practitioners, most notably Project QUEST in San Antonio, operate in more than one sector. While such diversification within one organization has a certain appeal, it is quite difficult to develop the expertise needed to intervene effectively in multiple sectors.)

Achieving Systemic Impact

Perhaps the least understood aspect of sectoral employment and certainly the most hotly debated among practitioners is the definition of systemic impact. As noted in the definition, a key element of sectoral employment is the effort by practitioners to achieve broader changes within the sector that will benefit low-income workers. In concrete terms, *a program has systemic impact when it directly benefits workers beyond its own participants.* For example, when a nonprofit workforce organization works with a local community college to change its courses to better prepare its participants, other students benefit as well. If the nonprofit organization simply trained its own participants, it would have less impact.

Systemic change is possible precisely because labor markets are not characterized by intersections of neat curves of supply and demand. Quite the contrary. Critical labor market characteristics and outcomes are, at least in some significant measure, the result of the preferences and choices of institutions and individuals. Critical institutional players in a local labor market include employers, education and training organizations, community-based organizations, and the public sector. Achieving systemic change depends on organizations' ability to identify points of leverage that can affect the behavior of one or more of these entities so that low-income workers benefit in some tangible way.

Deciding when and how to intervene in sectors is neither science nor art, but usually results from a combination of necessity, perseverance and luck. Development of sectoral strategies will depend on the sector and occupations targeted, the organization's own history and philosophy, its relations with other key actors in the local or regional market, and the vagaries of time and circumstance. No two strategies will be alike.

Sectoral Employment in Action

In order to give a fuller sense of how sectoral employment strategies affect the actions of labor market institutions, it is useful to examine strategies that are either in place or being launched. The examples cited here illustrate possible approaches; they should not be read as the only way or even the best way of pursuing change. Although the descriptions are fairly straightforward and may seem static, in practice, sectoral employment initiatives operate in a fluid environment whose shape and contours are determined by powerful economic forces and institutions. Even the most successful sectoral practitioners often feel overwhelmed by the complexity and challenge of effecting change.

Employers

Sectoral employment practitioners seek to improve the employment prospects of workers and job seekers by altering the way firms recruit, pay and promote people. The most direct approach to achieve this is to work with employers. Although this is, of course, much easier said than done, a number of organizations have had notable success with employers. Their strategies tend to fall into a few general categories.

Restructuring jobs so they offer higher pay for higher skills. Most employment organizations focus simply on preparing people for higher-skill jobs so they can earn more—the high-skill/high-wage approach. Sectoral employment organizations, in contrast, work with employers to restructure low-skill jobs into higher-skill jobs so the employers can pay a higher wage. *Project QUEST, Inc.* has worked with San Antonio's banking industry to restructure bank teller positions as financial service representatives, who are capable of offering customers a wider variety of services. Once banks had agreed to raise hourly pay and make the jobs full-time, QUEST agreed to train people for the jobs. It has done similar work with hospitals, in which it helped convert minimum-wage clerk jobs into new positions requiring greater administrative duties—for which hospitals were willing to pay more.

The *Good Faith Fund* is encouraging employers to recognize that certified nursing assistants (CNAs) who receive intensive skill training, like Good Faith Fund's graduates, provide better quality care and consequently are worth higher wages than are less well-prepared CNAs. Even though this effort is just getting off the ground, employers are beginning to offer higher wages in order to attract the Fund's graduates.

The *Garment Industry Development Corporation (GIDC)* goes one step further: it helps garment manufacturers in New York modernize their plants and upgrade the skills of their employees so they can operate the new equipment. By intervening in both the capital and labor sides of the production process, GIDC has a much greater impact on firms' productivity than it would otherwise, thereby preserving employment opportunities for workers.

Becoming a "yardstick" company. One particularly striking way to demonstrate that companies can afford to pay workers higher wages is to do it. Entering the market directly also has significant risks, but if done successfully, it is a powerful approach. The trick is how not only to become profitable but also to alter other firms' behavior—creating the broader sectoral effect.

Cooperative Home Care Associates (CHCA), a worker-owned home health care company in the South Bronx, attempts to influence a number of actors, including other employers in the home health care field, by demonstrating that it is possible, even advantageous, to connect the quality of care to the quality of the job. Unlike most other home health care providers, CHCA trains its workers before they visit clients, monitors their work closely, and seeks to provide workers with higher-than-average

hourly pay and full-time employment. Because CHCA has shown the Visiting Nurse Service (VNS)—which controls about half of New York City's home health care market—that CHCA invests in its workforce and gives better care than most other providers, it has been able to position itself for increased growth in the context of a consolidating market for home care services. CHCA has developed a collaborative relationship with VNS that focuses on providing services in a targeted community, maximizing full-time employment and redefining paraprofessional work as an integral part of a health care team. CHCA is also engaged in a process involving several VNS contractors in which innovative practices are shared. Such change did not come easily or overnight. CHCA was founded in 1985 and has been working for many years to persuade VNS, New York State and others that it is important to train and pay higher wages to home health care workers.

Primavera Services, Inc. is attempting a similar strategy in the day-labor market of Tucson, Arizona. For years, Primavera has seen day-labor firms exploit residents of homeless shelters by not paying them what was promised and threatening them when they complained. This year Primavera will launch its own day-labor company that will compete directly with these firms while treating and rewarding its workers better. Primavera plans, much like CHCA, to demonstrate to those it contracts with that when one pays and treats workers properly, they perform better. Unlike CHCA, Primavera will not depend on a "friendly" intermediary like VNS, but will seek to alter other firms' behavior primarily by gaining market share.

The ***New Hampshire Community Loan Fund (NHCLF)*** is launching a worker-owned paraprofessional health care company in southern New Hampshire that will seek to become a "one-stop" provider of a diversified set of paraprofessional services. It too is seeking to alter the behavior of other providers in the region by gaining market share. NHCLF believes that the company will be the largest independent employer of paraprofessionals in the region. Its significant size will put pressure on other providers to compete by improving the quality of care and the compensation of paraprofessional workers.

Rewarding exemplary firms. Other strategies seek to affect the way employers in an industry reward employees by publicly recognizing employers that meet certain standards in terms of pay and benefits. ***Working Partnerships USA*** is seeking to affect the treatment of contingent workers in the Silicon Valley by encouraging staffing agencies to adopt a Code of Conduct that includes provisions to increase the availability of group health insurance for workers and guidelines for moving temporary workers into permanent positions. Working Partnerships will encourage employers and workers to use only temporary help agencies that sign the Code of Conduct, which it will publicize through a guide to temporary agencies and an annual report card. By highlighting those firms that meet the standards, Working Partnerships will help increase the market share of those exemplary firms, thereby benefitting workers. To the extent that other firms decide to meet the standards, so much the better.

Removing artificial barriers to employment. In certain circumstances, well-trained people are excluded from jobs because of requirements that are not central to good job performance. ***ARCH Training Center, Inc.*** for example, is working with the Washington Bar Association to replace law firms' current emphasis on academic credentials for paralegals with an emphasis on practical knowledge and skills. This shift would enable many low-income residents to compete for well-paying employment opportunities in the district's burgeoning legal industry.

Similarly, the Good Faith Fund has convinced some local employers that properly trained CNAs do not have to have a high school degree or GED to be good employees. This change, should it spread throughout the industry, would enable many people, who would otherwise be excluded from the profession, to enter skill training programs.

Training the next generation of business owners. A unique strategy is to prepare disadvantaged workers to own and operate their own manufacturing firms. *Focus: HOPE* is attempting to increase the employment prospects of Detroit residents in the manufacturing sector by preparing graduates of Detroit's public schools to be the industry's next business owners. After more than two decades of experience training young people for good manufacturing jobs through its 57-week Machinists Training Institute (MTI), Focus: HOPE launched its most ambitious project to date: the Center for Advanced Technology (CAT). The CAT enrolls selected graduates of MTI in a six-year advanced engineering program that combines theoretical and practical training. The clear goal of the CAT in the vision of its founder and long-time leader, the late Father William Cunningham, is to prepare its graduates to run the most sophisticated manufacturing firms in the country—thereby affecting the distribution of wealth and income on a broad scale. This strategy clearly requires a heavy investment—and one that would be difficult to replicate—for both Focus: HOPE and the men and women who devote six years to the effort.

Education and Training Organizations

Community colleges are a key institution in certain sectors of local labor markets across the country. Over the past 30 years, the number of community colleges has doubled to over 1,000, two-thirds of which have a large or substantial vocational orientation. Both community-based organizations and employers see community colleges as central to their ability to train job seekers and workers. Because labor markets are changing so rapidly, however, community colleges are sometimes unable to adjust their programs to meet both employers' and communities' needs.

Project QUEST has been able to work with the Alamo Community College District to better serve employers and people from San Antonio's low-income communities. Over the past several years it has:

- Persuaded the community college to offer more courses for licensed vocational nurses to meet burgeoning demands by local hospitals, some of whom were recruiting nurses from Canada and the Philippines;
- Worked with the community college to bring its training up to industry standards. For example, a few years ago the community college was close to shutting down its diesel mechanic training program, even though regional trucking firms were expanding rapidly. Because the program was not preparing people to meet the industry's needs, trucking firms were recruiting mechanics from outside the region. Project QUEST worked with employers to help the community college revamp the program to ensure that its graduates would be properly trained.

Cleveland's *Westside Industrial Retention and Expansion Network (WIRE-Net)* is working with local manufacturers to review the curricula of local colleges, high schools and proprietary schools to ensure that training meets employers' needs in the machine trades. As part of this process, WIRE-Net and participating companies will work with these organizations to develop a local system of portable skills credentials that will provide workers with employer-sanctioned documentation that they have the necessary skills for particular occupations in the industry.

Training, Inc., which is affiliated with the Essex County College in Newark, is working with the College's Science and Technology Department to design a remediation program that will enable people who are interested in working with computers to begin taking college-level courses. Currently, students who test below college entrance levels may have to take one or two years of remedial mathematics courses before they can begin their degree program. Consequently, many students drop out and the department has very few graduates each year. Training, Inc., which has considerable experience running more intensive skills training programs, including programs in computer technology, is helping the Department develop a "fast track" remediation program that will enable many more Newark-area residents to enter the field.

The Public Sector

Government plays a crucial role in local labor markets, particularly in such highly regulated and subsidized sectors as health care and child care. Therefore, sectoral employment strategies in these industries generally have an explicit focus on public policy. *Direct Action for Rights & Equality (DARE)* has established a child-care cooperative of family-based providers in Providence with an explicit goal of increasing the financial rewards of family-based care. Since a considerable share of providers' income issues from public subsidies, it is no surprise that DARE focuses on state policy. Indeed, through its organizing and advocacy efforts, DARE recently persuaded the state to provide health care coverage for family-based child-care providers. It is now working with the state's Department of Human Services to enter into a contract with DARE that will reimburse child care providers at higher levels than they currently receive.

Project QUEST came to life (and is sustained) as a result of a major organizing effort launched by Communities Organized for Public Services (COPS) and the Metro Alliance (Metro), two Industrial Areas Foundation organizations with a long history of affecting public policy in San Antonio. COPS and Metro members were able to persuade the state and, after a long, contentious battle, the city of San Antonio to put up several million dollars in seed money to set QUEST in motion. Because of its track record, QUEST now receives substantial public funding—principally from San Antonio's general fund and community development block grants. Ironically, even though it is generally regarded as one of the nation's best workforce development programs, QUEST does not receive job training or welfare-to-work funding because of its emphasis on long-term training.

The Good Faith Fund is working to persuade public officials in Arkansas that they should increase the skill requirements of certified nursing assistants throughout the state. Raising the bar for CNAs is central to improving the quality of care patients receive in hospitals and long-term care facilities and to justifying higher wages for more skilled workers. By working simultaneously with employers and the public sector on the same issue, Good Faith Fund staff have a much better chance of actually effecting change in the sector.

Philadelphia Area Accelerated Manufacturing Education, Inc. (PhAME), a long-term precision manufacturing education and training program in Philadelphia that is modeled after Focus: HOPE, is trying to affect public policy in several ways. It works with the Jobs Policy Network, a nonprofit organization devoted to increasing the effectiveness of workforce policy and programs in the Philadelphia region. It has also begun to work closely with a local Industrial Areas Foundation organization, Philadelphia Interfaith Action. This alliance was instrumental in persuading Pennsylvania's Governor Tom Ridge to approve a $2 million fund to provide stipends to participants during their 61 weeks at PhAME.

Major Types of Sectoral Employment Strategies

Organizations are using many different strategies to affect the sectors in which they operate. Which strategy or strategies to use will depend on many factors, including the nature of the sector being targeted; whether the selected occupations offer decent wages and benefits; the strength of demand for labor in the sector and the local economy; the willingness of other key actors to collaborate; and the sponsoring organization's own history, reputation and expertise. Strategies can and often should evolve as circumstances change; what works one year may no longer be effective the next.

Training

As with many workforce development efforts, skills training that focuses on particular occupations is key. And perhaps the most common form of workforce development is skills development. But training alone is not usually sufficient to achieve systemic changes that benefit workers in poorly paid occupations; to be effective, skills development must be coupled with other strategies.

Organizations that focus on connecting people to jobs that pay well and offer benefits typically include training as a major component. This is not surprising since skills play an increasingly important role in workers' ability to earn enough to support themselves and their families. Sectoral employment strategies focus not only on training their own participants for good jobs, but also on affecting the behavior of other labor market entities, particularly education and training organizations. These changes can be effected in several ways. One approach is to work directly with a community college or employment organization to ensure that it is continuing to meet the demands of employers. A second is to conduct training internally and share the curriculum and approach with other organizations so they can better prepare their own participants. A third approach is to create such an effective model that others are forced to improve their training in order to compete.

It is somewhat surprising that initiatives attempting to restructure less attractive occupations also frequently employ training as a key strategy. Reliance on training in these programs generally stems from a strategic decision to increase the skills and productivity of workers in certain occupations in order to justify increasing their earnings.

Business Development

Organizations establish businesses as part of a sectoral employment strategy for a number of reasons, including the desire to earn revenue, return a greater share of earnings to workers, and compete directly with employers who are not investing in or rewarding workers appropriately. Business-centered sectoral strategies are usually created in order to restructure poorly paid occupations. Again, this makes sense: if employers in an industry are offering workers decent wages and benefits, it seems pointless to take on the challenge and risks of launching an enterprise. Consequently, business-centered initiatives are found in such poorly paid industries as child care, paraprofessional health care, temporary help and day labor.

Like training, however, business development alone rarely engenders systemic change. The only way a business strategy can do that is to capture sufficient market share to force other employers in that sector to modify their practices in order to remain competitive, and nonprofit-sponsored enterprises are unlikely to dominate local markets in this way. Therefore, most sectoral employment initiatives complement business strategies with other approaches.

Organizing

Organizing is a common and particularly useful component of a sectoral employment strategy. In essence, organizing is undertaken to increase the likelihood that an initiative will have systemic impact, that is, will affect the actions of others in the labor market. Organizing can focus on residents, workers, employers and other key constituencies. Which organizing strategy makes sense in a given situation depends on the objective. For example, organizing employers is a critical method of determining which occupations are in high demand and what skills are needed to fill them. "Rationalization" of demand can then be used to encourage education and training organizations to create or modify their programs accordingly. Organizing workers, as unions have been doing for decades, encourages employers in the private and public sectors to alter their hiring and wage policies. And organizing residents can provide leverage for affecting public policy and, to a lesser extent, the behavior of other actors in the sector.

Research and Policy Analysis

Research and policy analysis are not commonly used, but can be powerful sectoral tools. Credible documentation of how workers are faring in particular sectors can illuminate and draw attention to the very concerns that motivated the intervention in the first place. Analytic reports are often used to galvanize attention and gain support for an initiative as it is being launched. The publication of such information can be extremely useful in affecting other labor market players, particularly the public sector and major employers.

Similarly, public policy analysis that illuminates how proposed changes will affect lower-level workers can be instrumental in affecting the near- and long-term trajectory of the sector. The ability to carry out effective and credible analysis is particularly important in those sectors where government is a central funder, employer or regulator (such as in health care and child care). While there are many other organizations conducting policy analysis in these sectors, they rarely focus significant attention on issues affecting lower-level workers.

Integrating Strategies

To achieve systemic impact in a sector, organizations cannot depend on one strategy—successful sectoral employment initiatives use multiple strategies to intervene in the labor market. Organizations may depend principally on one or another strategy, such as training or business development, but these must be coupled with other approaches to affect policy or organize within the sector. The challenge, of course, is developing the ability to use the various strategies and deciding when and how to intervene.

Keys to Success

The range, diversity and outcomes of sectoral employment strategies can make it hard to discern common essential elements. In our experience of working with and observing the strategies of many of the nation's leading sectoral employment organizations, however, five characteristics surface again and again: expertise, leverage, allies, adaptability and perseverance. These essential elements help create successful sectoral initiatives.

Expertise

Sectoral organizations are recognized for their knowledge about the industry and occupations they have targeted. The fact that organizations develop such expertise is not surprising—it comes naturally to any organization that concentrates on a single sector for an extended period of time. What distinguishes the best sectoral employment practitioners is their solid understanding of the range of economic, political and social factors affecting the sector. Moreover, these practitioners develop the ability to see how different actors within the sector perceive the issues and to sense how they are likely to respond to them. No other entities, even employers, have such breadth of knowledge. Expertise enhances the value of sectoral employment organizations, and enables them to anticipate and attempt to affect the behavior of other key players.

Acquiring knowledge of such a broad range of issues is daunting. Cooperative Home Care Associates (CHCA), for example, is very knowledgeable about the current trajectory of health care—including the role of health maintenance organizations (HMOs), Medicare, Medicaid, and New York's regulatory and policy objectives—and understands how these changes are likely to affect hospitals, nursing homes, home health care providers and such other key institutions as the VNS. If that were not challenging enough, CHCA also needs to understand welfare and workforce development policy—all while running a worker-owned business that seeks to provide quality care to patients and decent jobs to individuals, including low-income women on public assistance.

To build its capacity to keep pace with (and influence) changes in the health care industry, CHCA launched the Paraprofessional Healthcare Institute (PHI), which conducts in-depth research, tracks legislative and policy developments, and leads CHCA's efforts to launch worker-owned home health care firms in other cities. Home Care Associates of Philadelphia and Cooperative Home Care of Boston are up and running, and PHI is getting ready to launch a fourth firm in Detroit.

PHI's knowledge is not only important to CHCA's survival as a business: it also enables this small worker-owned firm to wield disproportionate influence in New York's vast and complex health care industry. It knows when important health care or employment policy changes are being considered and can intervene before changes are made. By understanding the trajectory of health care and the growing influence of HMOs, CHCA was able to see that unless it developed its own managed care organization, it would not be able to maintain its quality of patient care and jobs for long.

Leverage

A second critical characteristic of sectoral employment organizations is their ability to affect the behavior of other players, almost all of whom are more powerful than they. In our view, this capacity is best understood as leverage—the capacity that enables sectoral employment organizations to achieve broader impact. What

makes such leverage possible is that most industries, particularly those with large low-income workforces, are fundamentally disorganized—there are lots of players, many of whom have relationships to each other; but no single entity or set of entities exerts fundamental or even significant control over the industry. Often the relationships among players are tenuous. In some situations, key players may be outright competitors with little interaction; and in others, they may not even know much about each other. This lack of control, or even systematic relationships, creates the crevices that sectoral employment practitioners can pry open to achieve broader changes. Viewed in this way, there are many levers organizations can use to effect change. Common ones include support bases and financial resources.

Support bases enable organizations to influence other actors who otherwise might pay little attention to them. For example, Project QUEST would never have come into existence were it not for the enormous influence of its two sponsoring organizations, COPS and Metro. Their strong advocacy of the creation of QUEST enabled its leaders to get the attention of key private sector leaders and win—after a long, tense battle with the city's elected officials—the financial backing to get QUEST launched. While QUEST today is a highly respected entity in its own right, COPS and Metro continue to guard its presence vigilantly.

Similar influence can be exerted with members. Working Partnerships USA is seeking to create a membership organization of temporary help workers in an effort to increase the presence and influence needed to improve the treatment of these workers by the staffing industry.

Financial resources can enable small organizations to have a profound impact on the sector when used strategically to affect the actions of other organizations. Even modest levels of flexible funds can be used to enormous advantage. Employment organizations generally seek funding to support their own recruitment, training and placement functions. While this can enable individuals to gain the skills needed to secure employment, it rarely influences the actions of other organizations. For example, while QUEST uses some of its resources for its own staff salaries, significant funds have been used to "purchase" training from various providers, principally the community college, and to provide financial support to participants to defray the cost of transportation and child care. By helping to pay for both remedial and regular courses, QUEST has been able to get the attention and the cooperation of the community college system much more easily than if it simply advocated for changes in the system. Because these changes enabled the community college to tailor training to better meet employers' needs, other students have benefitted as well.

Allies

Organizations that do not have strong relationships within the targeted sector occasionally have a broad impact with a major report or by attracting publicity to an issue. It is hard, however, for sectoral employment practitioners to have sustained influence without developing strong allies in the sector. The element of trust enables sectoral organizations to partner with other institutions to influence other public and private actors and to be at the table when allies make internal decisions that affect the sector as a whole.

CHCA's long-term relationship and exemplary performance enabled it to work closely with VNS's leadership as it adapted to changes in Medicare and Medicaid reimbursement policy. Project QUEST's strong relationships with employer advisory groups were instrumental in persuading community college instructors that their courses were out of date and no longer meeting industry needs. WIRE-Net's long-standing relationships with manufacturers on Cleveland's west side enables it to exert considerable influence on other key educational institutions, such as local community colleges and high schools.

Strong allies can be instrumental in affecting policy as well, particularly when those allies include major employers. In Philadelphia, the Delaware Valley Community Reinvestment Fund's relationships with regional manufacturing firms—particularly Boeing and Crown, Cork, & Seal—give it credibility with state and local policymakers, which allows the organization to secure funding for PhAME, even in an era of decreasing investment in skills training.

The need for allies does not imply that sectoral employment organizations are friendly with everyone. Just the opposite. Since influencing a sector requires that organizations change their behavior, intervention is not always welcomed. Indeed, sometimes the only way to effect change is by upsetting or confronting key institutions. Primavera clearly intends to compete with for-profit day-labor companies that it believes are exploiting workers. Working Partnerships is seeking to expose staffing firms that do not adhere to a Code of Conduct. DARE organized numerous demonstrations to persuade the state to provide family day-care workers with health insurance. In the end, however, organizations must balance confrontation with cooperation to remain effective—and they must pick their fights (and enemies) carefully.

Adaptability

A fourth critical characteristic of strong sectoral employment programs is their adaptability. The ups and downs of the sector, the entrance of new and powerful players, and changes in public policy all require organizations to adjust their programs quickly to remain effective. Developing expertise in the sector is key to being able to adapt successfully, because organizations with deep knowledge of the industry and the factors affecting it can usually anticipate important changes ahead. Still, there will be good times and bad, and times when organizations are more and less influential. Being prepared for and surviving the difficult times are key.

Perseverance

The final attribute that characterizes sectoral employment organizations is their dogged pursuit of change. While the ability to persevere is central to any organization's or individual's success, it seems especially important in the sectoral employment field, for three reasons:

- Sectoral employment organizations are attempting to alter outcomes that are the result of powerful economic forces and institutions. It is not surprising that this is possible only with years of effort.
- Only by staying for the long haul can sectoral practitioners develop the expertise, allies and know-how to affect the sector. It is unrealistic to expect to be a significant player in a few years. (It took CHCA five to 10 years to develop the knowledge, reputation and relationships needed to effect change.)
- Even the most successful sectoral organizations will experience significant setbacks through changes among employers, new public policies and regulations, and turnover in the leadership of key allies. Remaining effective requires constant refinement of strategies and renewing of relationships.

Conclusion

Sectoral employment strategies strengthen our ability to improve the employment and earnings prospects of less-advantaged workers and job seekers. Consequently, supporting and learning from these efforts are essential. Recognizing the challenges inherent in any effort to alter the labor market in a fundamental way is also critical. This caution is warranted for two reasons: so that policymakers, practitioners and funders do not expect more of the work than can reasonably be anticipated and so that we do not abandon the work prematurely. There are three key challenges:

- **Economic changes are exerting enormous downward pressure on low-skill workers.** Over the last 25 years, the earnings, benefits and job security of low-skill workers have been in free fall. For example, workers without high school degrees have seen their incomes drop by nearly 25 percent, after adjusting for inflation.[1]
- **Labor markets are becoming increasingly complicated and fluid, making it more difficult to determine how and where to intervene.** Ten years ago, for example, few could have foreseen the enormous impact that HMOs would have on which health care occupations would be in demand, which institutions would be hiring, and how much people would be paid. Staffing firms are having a similar impact today, as more firms rely on contingent, contracted and temporary workers as a normal way of conducting business.
- **Public funding of employment programs severely constrains the ability of organizations to respond quickly to labor market changes in order to meet the needs of employers and workers.** For years, practitioners have decried the rigidity of Job Training Partnership Act funding, which has precluded innovation and long-term strategies. Recently passed workforce development legislation, with its emphasis on "work first" and vouchers for training will also pose major challenges for sectoral employment strategies, which need long-term flexible support to pursue a range of strategies—of which training is only one.

Most strong sectoral employment organizations have seized an opportunity that presented itself only briefly. However, luck is not entirely random. Smart program operators who invest in understanding a sector are much more likely to be lucky than those who do not—simply because they are more likely to recognize and be able to act on opportunity.

Whether sectoral employment turns out to be an effective, broadly relevant strategy remains to be seen. Numerous efforts to try to understand its utility are under way, some of which have been reviewed in this report. Over the next several years, many lessons about sectoral employment will be learned and shared. We hope that this report contributes to that knowledge, and we look forward to participating in that process over the next several years.

Notes

1 Harrison, Bennett, and Marcus Weiss (1998). *Workforce Development Networks: Community-Based Organizations and Regional Alliances.* Thousand Oaks, Calif.: Sage Publications.

2 National Association of Manufacturers (1997). *The Skilled Workforce Shortage.*

3 Tilly, C., and C. Tilly (1994). "Capitalist Work and Labor Markets," in N.J. Smelser and R. Swedberg (eds.). *The Handbook of Economic Sociology.* Princeton / New York: Princeton University Press / Russell Sage Foundation.

4 Clark, Peggy, and Steve Dawson (with Amy Kays, Frieda Molina and Rick Surpin) (November 1995). *Jobs and the Urban Poor: Privately Initiated Sectoral Strategies.* Washington, D.C.: Aspen Institute. This definition slightly modifies Clark and Dawson's, which emphasizes that sectoral interventions need to be "valued" by the sector. Experience indicates that effective sectoral initiatives are not always valued by other key actors, but are nevertheless able to influence their behavior. However, successful sectoral organizations generally are valued by enough of the key actors to achieve the critical mass needed to effect change.

5 Mangum, Garth, Stephen Mangum, and Andrew Sum (1998). *A Fourth Chance for Second-Chance Programs: Lessons from the Old for the New.* Baltimore: Sar Levitan Center for Policy Studies.

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PROGRAM DESCRIPTIONS

PROJECT QUEST, INC.

San Antonio, Texas

Project QUEST was established in 1992 after the Levi-Strauss manufacturing plant in San Antonio was shut down, leaving close to a thousand Latina women without jobs and prospects of stable, well-paid work. QUEST was the product of a collaboration between two Industrial Areas Foundation organizations—COPS (Communities Organized for Public Service) and Metro Alliance—which spent over a year gathering input from community members, government officials, employers and educators to develop a strategy to connect San Antonio's unemployed and working poor to better jobs. Despite an unemployment rate of just 4 percent, San Antonio's average personal income is nearly 20 percent below the national average. Many of San Antonio's residents lack access to skills training, and employers tend to recruit from outside the region to fill high-skill positions. QUEST seeks to resolve this mismatch by serving as a labor market broker, which provides San Antonio's low-income residents with access to higher-paying jobs with career opportunities through job training, job placement and critical support services.

Provide long-term, transferable skills training and support services.
QUEST's enrollees are ensured access to a two-year job training program in health care, business services or light industry. In order to provide participants with accredited training, QUEST forged a relationship with the Alamo Community College District (ACCD) to fill most of its job training needs. All participants have either a high school diploma or a GED, and those with basic skills below the ninth-grade level take a 10-week remediation class to improve math and reading skills to prepare them for classes at the college level. Since QUEST's target population exhibits many barriers to program success, the program provides on-site counseling to reduce the impact of personal difficulties on training completion. It also offers flexible training programs and open entry and exit in its programs to give participants the opportunity to tailor the length of time of their training to their ability to complete it. QUEST has already enrolled over 1,600 people in its training programs, and hopes to enroll an additional 700 by the end of next year.

Develop jobs through extensive labor market research.
QUEST conducts extensive labor market analysis and initiates discussions with local employers to better meet their needs. As a result, its sectoral strategy goes beyond a mere connection to good jobs. QUEST has restructured the hiring process of many local employers and has changed the skills requirements of many of the jobs. For example, in researching developments in the managed care system, it noticed that an increasing number of licensed vocational nurses (LVNs) were leaving hospitals for higher-paying jobs in nursing homes and rehabilitation centers where employers require LVNs with an understanding of geriatric needs. QUEST worked with ACCD to make changes in the curriculum that would give LVNs the specific skills needed to work with the elderly.

Target more than one sector.
Project QUEST's participation in the Mott Sectoral Employment Initiative focuses on careers in health care, but, unlike most sectoral programs, it provides training for jobs in several industry sectors. While having such a broad base of programs helps mitigate the impact of industry-specific economic downturns, it also creates challenges. QUEST must stay up to date with the sectors it now works in and keep abreast of new areas for potential job development.

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Good Faith Fund

Pine Bluff, Arkansas

Founded in 1987, Arkansas Enterprise Group's (AEG) mission is to further develop the economy of rural eastern and southern Arkansas. One year later, AEG launched the Good Faith Fund (GFF) to focus on improving the incomes and assets of low- and moderate-income residents through assistance with the development of entrepreneurial skills, provision of credit, training for self-employment, and employment and support services. With the push to get as many of the 16,000 public assistance recipients off the rolls as possible, GFF is working hard to help provide employment opportunities for welfare recipients in the region. In 1996, after extensive market research in the Arkansas Delta region, GFF staff concluded that the health care sector provided the most abundant opportunities for decent entry-level employment with the possibility of career advancement. Careers in Health Care (CHC) is GFF's initiative to connect its low-income and welfare-dependent constituents to jobs as certified nursing assistants (CNAs) and mental health aides.

Use CNA training as a bridge to better jobs.
CHC offers local residents a 12-week, 360-hour CNA training program, including four weeks of occupational skills training and four weeks of on-site supervised clinical training. At present, the state of Arkansas mandates that CNAs must undergo at least 75 hours of training in order to be certified, and CHC hopes to bring this level up to the 360 hours its program provides. By increasing the number of hours and intensity of training, CHC is working to improve the access to and the quality of these jobs. CHC hopes to push CNA wages from $5.15 to $5.50 per hour to $6 to $8.00 per hour. CHC expects to train and place 60 participants a year, and those CNA students who retain employment for 9 to 12 months will be encouraged to come back for further training for the higher-paying job of a mental health aide. CHC will assist program participants who perform exceptionally well on the job in their efforts to find funding for training programs to become licensed practical nurses and even registered nurses.

Develop close working relationships with local employers.
As the only source for high-quality CNAs in the Arkansas Delta, CHC has become a valued source of paraprofessional health care workers. To further improve its program, CHC created an Advisory Committee composed of administrators, nursing supervisors and hiring coordinators to provide feedback on program graduates and to keep in touch with developments in the field. The committee's quarterly meetings attract health care providers from around the region. CHC is encouraging those employers who offer the most competitive salaries for CNAs to develop clinical training programs for CHC in their own facilities, which will increase the likelihood that they hire GFF's participants. They also hope to develop contractual relationships with local health care facilities to fill staffing needs with CHC graduates.

Maintain close contact with state and local government agencies.
One of the greatest challenges to GFF's initiative is the policy climate in Arkansas and the sparse network that exists to advocate for policy change. While remaining a tough advocate for its constituents, GFF has worked hard to demonstrate to Arkansas's Department of Human Services that they have a shared interest in their constituents. CHC is licensed by the Arkansas State Board of Career Education and the Office of Long-Term Care, and is well respected by the latter's staff liaison, who believes the goal of improving patient care and working conditions for CNAs to be highly consonant with what the health care sector needs.

Garment Industry Development Corporation

New York, New York

Established in 1984 by the International Ladies Garment Workers' Union, two garment-industry trade associations, and the City of New York, Garment Industry Development Corporation (GIDC) works to assist garment workers and firms throughout New York City. In the early 1980s, the city's garment industry was struggling to remain competitive both internationally and nationally. Industry employees complained of poor working conditions and low pay. Training and advancement programs for garment workers were virtually unheard of, and with so many immigrants looking for work in the industry, it needed a central place to train and place them. At the same time, GIDC's founders felt that New York City needed an institution that would work to improve the competitiveness of New York's garment industry. GIDC's sectoral strategy works to improve the quality of jobs in the garment industry by assisting firms to implement fair and safe labor practices and by improving workers' skills with technical training programs; GIDC also helps firms by providing technical assistance in technology and production issues and by marketing made-in-New York apparel in domestic and foreign markets.

Centralize the training and placement process.
GIDC offers garment workers several training programs to help increase productivity and to advance in career paths as garment workers. The Super Sewers Program offers displaced garment workers an eight-week training program in advanced sewing machine skills and workplace English. Since 1988, over 1,000 displaced workers have participated in Super Sewers. GIDC offers evening classes for apparel workers interested in enhancing their skills in pattern and marker making, computerized marking and grading, and basic cutting. GIDC recently expanded its training program through its Workforce Development Program, which will offer 240 garment workers nine seminars and courses in job-specific classroom instruction, providing hands-on experience with the most advanced technologies in garment production. GIDC also operates JOBNET, a centralized job referral system for workers and employers.

Provide a service to local employers.
GIDC developed programs to assist firms with quality control and to help implement standardized, electronic data systems for monitoring supply lines to area retailers. GIDC also offers on-site customized training programs to local apparel manufacturers and contractors. In the Train-the-Trainer Program, GIDC staff work with production operators and supervisors to enhance and improve technological skills of workers on the sewing floor. GIDC recently launched its "Sourcing Center," which will promote local garment production facilities to area contractors. GIDC has become an industry spokesperson for domestic production factories and has appeared at Bobbin World, the garment machine manufacturers annual trade show, to promote the value of sourcing domestically for production needs.

Seek assistance from policymakers.
The U.S. Department of Labor recently awarded GIDC a $200,000 grant to expand its training programs and services in an effort to lead the reform of the garment industry nationwide. Because it works to improve conditions on both the supply and demand side of the apparel industry, GIDC receives the support of the City and State of New York, UNITE (the apparel workers' union) and the various trade associations representing New York's apparel industry.

Cooperative Home Care Associates

South Bronx, New York

Cooperative Home Care Associates (CHCA), a for-profit, worker-owned cooperative, was founded in the South Bronx in 1985. Many low-income women look to careers in home health care to make ends meet, but are disappointed by the erratic schedules, few benefits and low wages associated with it. As a result, turnover in the industry is on average 40 to 60 percent. Not surprisingly, hospitals and home-nursing agencies frequently complain of the poor quality of service their patients receive. The founders of CHCA believed that by changing the nature of home health care work, they could create a better trained, more stable source of health care workers, receiving higher pay and providing better quality service to their customers. Today, CHCA employs more than 450 home care workers in the South Bronx in jobs averaging $8 an hour, among the highest hourly wages in the industry in New York. The Paraprofessional Healthcare Institute, CHCA's nonprofit partner, is currently replicating the program in several cities around the country, forging a national sectoral strategy focused within paraprofessional healthcare employment.

Create a source of high-quality home health care workers.
In order to improve the quality and value of home health care work, CHCA developed an entry-level training program that includes four weeks of on-site classroom training and 90 days of on-the-job training. About 75 percent of CHCA's employees were on public assistance prior to program entry, and 40 percent had completed high school or have a GED. Since CHCA's workers are inner-city women and not necessarily comfortable with standard classroom training, CHCA's training model uses role-playing, simulations, educational games and hands-on demonstrations. CHCA also encourages its members to think about and plan long-term career strategies: it provides senior aides with guaranteed hours (and, in effect, a guaranteed salary), and has created an upgrading program to hire aides into administrative jobs within the cooperative. CHCA has now become a model employer and contractor, paying wages and benefits well above the industry standard and reducing the turnover rate for home health care aides within the cooperative below 20 percent.

Create a business and a community of co-workers.
CHCA is wholly owned by its employees. For many, this is their first opportunity to have a say in the running of their work lives. After a three-month trial period, each worker is eligible, on a volunteer basis, for ownership. Employees must invest $1,000 in the company to become a worker-owner; most pay an initial $50, and then borrow the remainder from the cooperative, repaying the loan over five years with regular deductions from their paychecks. After the initial $50 is paid, workers have full voting rights. They control 100 percent of the company, ratify all major business decisions and earn dividends based on the number of hours worked within the year (averaging between $250 and $600 per worker owner annually). CHCA returns a greater than usual portion of its resources to employees—allowing workers to earn wages 10 to 20 percent higher than those of their competitors—yet has remained consistently profitable.

Develop expertise in, and influence, the health care sector.
CHCA's local "front-line" experience along with the national research and policy activities of the Paraprofessional Healthcare Institute, combine to help CHCA stay abreast of policy developments in the health care sector. With this expertise and its reputation for quality employees firmly established, CHCA is better positioned to influence changes in public policy that directly affect the lives of its workers and the home health care field as a whole. For example, because it has shown the Visiting Nurse Service (VNS)—which controls about half of New York City's home health care market—that CHCA invests in its workforce and provides better care than most other providers, CHCA has not only positioned itself for increased growth, it has worked intimately with the VNS to redefine how the VNS provides and contracts for paraprofessional services affecting more than 10,000 workers throughout New York City.

PRIMAVERA SERVICES, INC.

Tucson, Arizona

In 1983, Primavera Foundation, Inc. was established to address the issue of homelessness in Tucson through public outreach, education and community development. In 1993, it spun off two organizations: Primavera Builders to train the homeless and formerly homeless for jobs in the construction industry and Primavera Services to provide emergency shelter, transitional support, and employment assistance to the homeless population it already served. Many of Primavera's clients find short-term employment at day-labor halls. Construction and tourism, the two largest industries in Tucson, are cyclical and rely heavily on contingent workers to fill their short-term labor needs. Tucson's unemployment rate is just 3 percent, yet 20 to 25 percent of Tucson's workers are poor in part because so many work in contingent jobs. Labor halls wield much power in the labor force because most employers must use them to fill their labor needs. Primavera Services' sectoral initiative aims to change the exploitative nature of day-labor jobs by improving on the quality of contingent work and increasing the wages associated with it.

Create a model day labor hall.
Primavera Services has established Primavera Works, which has been placing clients on day labor assignments in competition with Tucson's for-profit halls on a pilot basis since Winter, 1997. It charges the same fee per hour per worker ($8 to $10), but gives more money to the laborers themselves. Primavera hopes to increase its workers' annual earnings from $7,000 to $10,000 and expects to place some 6,000 homeless people in contingent jobs annually. In an effort to reduce turnover and increase the capacity for longer-term jobs, Primavera Works will offer basic job and life skills training to its participants. Transportation to and from work sites, safety clothing, sack lunches and tools will be provided—all services not provided by for-profit labor halls. Primavera is also trying to make contingent work more stable by placing its workers more consistently in longer-term jobs. Primavera seeks to attract enough employers to its services that for-profit labor halls will be forced to adopt its practices to stay competitive. For those working and ready to work in full-time jobs, Primavera Works will assist them to prepare for and find permanent employment.

Enlist local government support.
Primavera has already worked with the Arizona's Department of Labor to prevent labor halls from siphoning too much money from their homeless workers. As an established advocate for the homeless, Primavera will be able to use public sector jobs as a transition into those in the private sector. In a 1994 pilot project, some of Primavera's homeless population were contracted to work in the City of Tucson's Graffiti Abatement Program. Remembering this positive experience, other municipal departments are exploring the potential of contracting with Primavera Works.

Work with local employers.
When Primavera announced its initiative to the public, day-labor halls discouraged local employers from going there and threatened to refuse to serve clients who work with Primavera. Rather than be discouraged, Primavera worked to strengthen its relationship with Tucson's private sector. Primavera developed an advisory committee of local business owners to give input on training and meeting employers' needs and will have a group to turn to for reviewing progress as the program evolves. The committee members include educators, business owners, a local county entrepreneurial program and the University of Arizona's School of Business.

New Hampshire Community Loan Fund

Concord, New Hampshire

New Hampshire Community Loan Fund (NHCLF) was established in 1983 to create and promote decent affordable housing and foster economic opportunity by matching resources from socially conscious investors and donors to the needs of community-based projects designed to assist low- and moderate-income people. Its most recent effort has been to connect low-income individuals to jobs in the health care sector. NHCLF commissioned two reports on New Hampshire's market for paraprofessional health care workers to get a better understanding of how the labor market works and to pinpoint those members of the health care community that might benefit from a greater supply of well-trained and supported paraprofessional health care workers. The reports concluded that southern New Hampshire suffers from a shortage of CNAs to work in home health care, nursing homes and homes for the developmentally disabled, and that CNAs earn only $7.89 an hour on average. NHCLF decided to launch an initiative that would train low-income residents to fill a wide range of paraprofessional health care services, and would improve on the quality and wages of these jobs to create a path of career advancement for paraprofessional workers.

Become the largest independent employer of paraprofessional health care workers.
While full program operations have not yet begun under this recently launched initiative, NHCLF's goal is to finance a worker-owned enterprise, Quality Care Partners, Inc. (QCP), that will train and employ primarily low-income women and serve as a licensed subcontractor providing top-quality, well-trained workers to a variety of southern New Hampshire's health care employers. QCP's training program is based on NHCLF's pilot CNA training project. Cooperative members will receive at least five weeks of training, about double the current requirement for certification of 100 hours (about 2.5 weeks) of training. QCP will guarantee a minimum of $8 an hour and 30 hours of work per week, and members will receive the services of a peer-support structure and a caseworker counselor. By the end of 2001, QCP expects to employ 75 CNAs. QCP has targeted five certified home care agencies, three hospitals and six nursing home operators to serve as the initial customer base. Once employers see the benefit of contracting for its quality workers, QCP hopes those employers will look to NHCLF for all their contracting needs.

Secure influential cosponsors.
QCP is cosponsored by New Hampshire Catholic Charities, the largest nonprofit operator of nursing homes in the state, and by the New Hampshire Charitable Foundation, the largest philanthropy in the state. New Hampshire Catholic Charities owns six nursing homes, manages three others and provides case management to 300 low-income single-parent families in the area. QCP will look to Catholic Charities as a customer, a recruiter of potential members and a connection to other employers in the health care network. The New Hampshire Charitable Foundation is working to create a forum in which industry practitioners and state policymakers can come together to provide a more supportive environment for paraprofessionals in the health care industry.

Garner the support of policymakers.
New Hampshire's health care industry has given little special attention to direct caregivers or CNAs, which in most settings provide 90 percent of hands-on care to patients. At present, there is no formal structure designed to address the structural issues related to this occupation. The cosponsors have established a good working relationship with the governor and the state's Department of Health and Human Services. With their help, the nonprofit sponsors hope to convene a task force staffed by NHCLF to explore ways to improve the quality of these jobs, for example, by providing health insurance for health care workers. NHCLF plans to work closely with the State Department of Health and Human Services to create a data base to track wages, benefits and working conditions of paraprofessional workers to better understand the diversity and quality of these jobs.

Working Partnerships USA

San Jose, California

Located in the Silicon Valley, Working Partnerships USA was founded in 1995 with a mission to broaden the discussion of regional economic development and employment policy to include the perspective of low-wage workers. In researching the most effective means to assist low-income area residents, Working Partnerships discovered that many of the area's working poor were employed by temporary agencies offering few benefits, scant training and little or no notice when job assignments change. Forty percent of all temporary workers are office clerks, earning about $8 an hour. The growth of the information technology (IT) industry has brought Silicon Valley worldwide attention. The high salaries commanded by IT professionals and the flood of new arrivals to the Valley have pushed up the cost of living, making it increasingly difficult for the local working poor to make ends meet. IT industries are keeping costs down by outsourcing, particularly for lower-level service jobs. Working Partnerships' objective in its initiative is to improve the nature of lower-level contingent work by creating a nonprofit temporary placement business to serve as a yardstick for its for-profit competitors and a membership-based organization to give contingent workers a greater voice in improving their working conditions.

Develop a model temporary employment agency.
Working Partnerships will develop a nonprofit temporary employment agency with the objective of improving the practices of other agencies by demonstrating to Valley employers the value of providing employees with job training and skills certification and of adhering to its own Code of Conduct. Employees in need of support services will receive assistance in connecting with the right community agencies. In building its employer client base, Working Partnerships will first look to the County of Santa Clara and the city of San Jose, with whom it plans to execute first source hiring agreements. To maintain a steady source of job placements, Working Partnerships will then seek out similar sourcing arrangements with private sector employers.

Create a membership-based organization.
Working Partnerships plans to recruit 1,000 temporary workers a year into a new membership-based organization. Staff are working to develop an innovative benefits package, with portable, inexpensive health insurance, pension plans and job training. Working Partnerships will join with a local community college, employers and clerical workers to create a training program and skills certifications that it expects will become a widely recognized standard for contingent workers. A key strategy complementing the membership organization will be the development of a Code of Conduct for employers of temporary workers. Working Partnerships expects to approach 250 temporary agencies in the Valley and encourage them to adopt the code, which includes provisions to increase the availability of group health insurance and guidelines for moving temporary workers into permanent positions. By highlighting firms that meet the standards, Working Partnerships will help increase the market share of exemplary firms that most benefit workers.

Lead a public advocacy campaign.
Working Partnerships will be at the forefront of statewide regulation of the temporary help industry, and will push for legislation that supports the right of temporary workers to organize and bargain collectively, that puts limits on the length of time work remains temporary, and that requires equal pay for equal work, regardless of an employee's status as either a permanent or temporary worker. Central to its advocacy efforts will be its relationships with a range of community partners, such as the Asian Law Alliance, NAACP, and the Santa Clara Center for Occupational Safety and Health.

ARCH Training Center, Inc.

Washington, D.C.

Founded in 1986, ARCH is a community-based organization committed to serving the residents of southeastern Washington, D.C., through assistance in locating affordable housing, quality education, and effective health and social services. In researching prospects for employment for its community, ARCH discovered that the legal field is one of the fastest growing in the area. With the plethora of government agencies and law firms in the district, opportunities for employment as a paralegal are seemingly limitless. For years, employers in the legal field have turned to college graduates to fill their paralegal needs; 94 percent of all paralegals in the district are white, non-D.C. resident college graduates, most of whom see paralegal work as a one- to two-year job and a transition to graduate school. Paralegal training programs do exist, but, with tuition between $5,000 and $11,000 a year, ARCH's constituents are effectively excluded from work in the field. ARCH's strategy works to connect its participants to jobs as paralegals and to create a qualified source of trained, permanent paralegals for D.C. employers.

Focus on long-term training.
ARCH's paralegal program consists of 56 weeks of training, 7.5 hours a day, and includes an introduction to the paralegal field, intensive training as a paralegal, educational development classes, an eight-week internship in an area law firm and job placement assistance. ARCH plans to provide such support services as individual, group and family counseling as well as educational development activities to assist those who are falling behind or in need of a GED. All participants take reading and math courses to improve their academic abilities and to bring them up to par with local college graduates. Counselors work with graduates for one year after placement and assist them in overcoming personal and professional difficulties. In its pilot year, ARCH trained 25 participants as paralegals: of the 22 graduates, 21 are employed. ARCH plans to train about 70 women and men a year, and to place graduates in jobs paying more than $20,000 a year.

Work closely with well-respected legal organizations and employers.
ARCH formed a partnership with the Washington Bar Association, the Charles Hamilton Legal Education Institute, and two D.C. law firms. These partners worked with ARCH to develop a comprehensive curriculum combining instruction in the skills necessary to be a good paralegal, and review courses in reading and math. Working with these institutions affords low-income individuals a chance to have a voice in matters concerning their employability and will benefit ARCH as a source of information and feedback on improving educational standards and job-skills enhancement as the initiative unfolds. The law firms plan to provide some of the internships for ARCH program graduates, giving them an opening to the legal field and demonstrating to other firms the benefits of hiring them.

Build on a solid reputation.
The legal profession is a traditionally conservative one, and ARCH sees a long road ahead in changing the attitudes of employers toward hiring former Temporary Assistance for Needy Families (TANF) recipients and other low-income residents. Drawing on the success of its own graduates and its relationship with the Washington Bar Association and its advisory board, ARCH hopes to dispel the myth that persons without a college degree cannot perform successfully as legal assistants.

FOCUS: HOPE

Detroit, Michigan

Founded in 1968 in the wake of the 1967 riots in Detroit, Focus: HOPE is a civil and human rights organization dedicated to bringing together Detroit's multicultural community in efforts to overcome racism, poverty and injustice. In the 1960s and 1970s, Focus: HOPE worked primarily to ease racial relations in the community. Among its many actions, Focus: HOPE supported discrimination litigation involving females and minorities, developed programs to educate people about racial issues, and provided supplemental food to at-risk pregnant and postpartum mothers.

During the recession of the late 1970s and early 1980s, Focus: HOPE began to turn its attention to helping its community residents find jobs. Many manufacturers complained of the dearth of skilled workers to meet their production needs. Detroit lacked a major vocational training program devoted to training area residents in the durable goods industry. Focus: HOPE decided to act, and in 1981, launched its first educational and training program, the Machinist Training Institute (MTI). The institute provides state licensed and accredited training in precision machining and metalworking, South Michigan's largest industry. Focus: HOPE's sectoral initiative seeks to connect its low-income minority constituents to better jobs and to provide Detroit's manufacturing sector with quality high-skill workers.

Provide a hands-on, large-scale training program. During MTI's 57-week program, candidates spend four hours a day in class and four on the shop floor. Course work includes advanced math, communications skills, technical drafting and blueprint reading and advanced machining. MTI was the catalyst for two other training entities, which together with MTI serve over 1,000 people annually. FAST TRACK, begun in 1989, is a seven-week program targeting recent high school graduates and adults in need of sharper math, reading and computer skills. The Center for Advanced Technologies (CAT), the most advanced component, was implemented in 1993 and provides MTI graduates with training to become engineers in advanced manufacturing processes. CAT candidates have the opportunity to exit after two or four years with Associate's and Bachelor's degrees in engineering. While most academic work is completed on-site, graduates earn their degrees from one of five partnering area universities.

Develop in-house enterprises. Focus: HOPE established one nonprofit and three forprofit machining-related companies to provide jobs for its participants and area residents. They offer precious opportunities for minorities to gain management and ownership skills. Focus: HOPE employs close to 800 people in these businesses with salaries ranging from $5.80 to $9.00 an hour. Business revenue create an additional source of funding for Focus: HOPE's many community projects. Working for Focus: HOPE's nonprofit company, Tec Machining, CAT candidates actually produce aluminum replacement parts for Chrysler, and hubs and pulleys for Detroit Diesel Corporation (DDC).

Build a solid client base in the private sector. Focus: HOPE looked to major area universities and corporations for assistance in creating a curriculum that would best meet the needs of Detroit's manufacturing sector. Corporate partners include the Chrysler Corporation, Cincinnati Machine, DDC, Electronic Data Systems (EDS), Ford Motor Company, General Motors, and the Society of Manufacturing Engineers. For many of them Focus: HOPE's in-house enterprises provide a hook to increase their involvement in the program. Since Ford, DDC and Cincinnati Machine, for example, contract with Focus: HOPE's companies, they have a greater stake in the training process of Focus: HOPE's graduates and a stronger interest in performing an advisory function.

Westside Industrial Retention and Expansion Network

Cleveland, Ohio

For over a decade, the Westside Industrial Retention and Expansion Network (WIRE-Net), a consortium of five community development agencies, has committed itself to improving economic opportunity for thousands of residents on Cleveland's west side by retaining, attracting and engaging industrial employers in the community. WIRE-Net conducted extensive research on the local market and discovered that in order for local manufacturers to compete with other manufacturers around the country, they need highly skilled workers to fill specific needs. Rather than turning to their own neighborhoods for workers, however, companies were looking elsewhere. In 1989, WIRE-Net launched its Hire Locally program, which provides a short and intensive employability skills program for the west side's low-income residents and connects them to entry-level jobs with local employers. WIRE-Net's sectoral initiative will go further by providing local residents with a more extensive skills-training program that will afford them access to higher-paying jobs with career advancement opportunity.

Create an employer-driven, responsive training system. WIRE-Net's training program will target specific occupational areas. Working with manufacturers to identify key skills at various levels of each machine trade, it will train its participants for a lifetime of work within a specific occupational sector. To ensure employer commitment, WIRE-Net's Employment and Training Committee will design "skills ladder" training in targeted occupational clusters. In an effort to promote the entrance of minority groups into jobs in the machine trades, WIRE-Net will also teach local employers to manage diversity in a multiethnic workforce and help them design on-site training programs to meet their individual needs. By the end of the third year in the initiative, WIRE-Net expects to have 215 graduates, 131 job placements and 100 career advancements.

Centralize the training and recruitment process. Cleveland's employment and training programs are fragmented, so WIRE-Net is working to share knowledge and resources and develop collaborative training programs. Programs such as the Center for Employment and Training (CET) on Cleveland's east side, local vocational high school programs and community colleges work with similar constituencies and have much to gain from a collaborative relationship with WIRE-Net. Training programs could work together to create a pool of workers for specific areas who are ready to be transferred directly into jobs in machine trades. WIRE-Net has already developed a partnership with the Greater Cleveland Growth Association's (Cleveland's Chamber of Commerce) Jobs and Workforce Initiative which is working on restructuring Cleveland's workforce development system.

Change the population's attitude toward work in the manufacturing sector. Local residents came to WIRE-Net's program because it provided a quick pathway to the workplace. Since the sectoral initiative provides for much longer-term training, the attitude of the local community regarding training and learning needs to be changed so that people understand the low opportunity cost of postponing employment during training. And, as the program's director pointed out, the public needs to banish the stigma of working in the manufacturing sector if it wishes to keep the manufacturing base strong.

Training, Inc.– Essex County College

Newark, New Jersey

Since 1975, Training, Inc., a consortium of employment and training programs, has provided job training to the unemployed and working poor in several cities across the country. In 1986, Essex County College (ECC), a community college in downtown Newark, decided to expand on its continuing education and short-term job training programs and brought Training, Inc. to Newark. Initially, Training, Inc. prepared participants for entry-level office employment. Recently, it has added computer skills training to its programs in order to prepare workers for the high wage/high skill jobs in the fast-growing Information Technology (IT) sector. Even though entry-level IT workers can expect earnings from $10 to $20 an hour, IT employers often complain of the dearth of well-trained workers in the field. Training, Inc. seeks to meet this demand for workers by preparing low-income African American and Hispanic women and men in need of better jobs and higher wages. 26.3 percent of Newark's residents live below the poverty level, and only 44 percent of households earn more than $11,500 a year. Training, Inc.'s new initiative aims to link Newark's low-income residents to these high-skill IT jobs, through a fast-track training program that leads to immediate employment and to a path toward ongoing education and training.

Provide an intensive, integrated experience that includes professional, basic and technical skills training. Training, Inc.'s PC Technician program trains participants for entry-level jobs as computer network administrators, while giving them the opportunity to earn credits in computer science that can become the foundation of an Associate's degree in Computer Science. The program consists of 20 weeks of course work and workshops that include oral and written communications skills, hands-on training in hardware and software technology, internships in area businesses, and an intensive job placement strategy. Workplace simulation is the hallmark of Training, Inc.'s programs nationwide. Trainees attend classes from 9:00 to 4:00 and are expected to adhere to the professional standards of the business world. At the end of the training period, all trainees participate in a simulated work environment project, in which they create and run an enterprise for two weeks. Simulation is designed to give trainees, many of whom may have experienced long bouts of unemployment, a taste of the real world of work. Thirty students enroll in each 20-week training cycle. Close to 90 percent of all enrollees complete the program and most find jobs in IT that pay salaries upwards of $10.00 an hour. Once the training is completed, graduates receive ongoing career support to pursue advanced degrees in computer science and to progress toward higher paying jobs in the industry.

Transfer the successful approach to mainstream college programs. Mainstream ECC students who test below the college level face the prospect of one or two years of remedial math and English before they can register in introductory computer science courses at ECC's Science & Technology Center (S&T). Consequently, many mainstream students drop out, and S&T has very low graduation rates. Training, Inc. is seeking to integrate its own successful training strategy into the mainstream college process by assisting ECC faculty and staff to develop parallel course tracks that combine hands on experience in computer science with basic remediation, in an effort to increase the number of students who complete S&T's computer science program.

Create a network of local employers. Training, Inc. has convened a network of local information technology employers that keeps it abreast of technological changes affecting the field and that constitutes a network of potential employers for program graduates. Employers frequently recruit for entry-level IT workers at four-year institutions and propriety schools. This strategy is also aimed at educating the industry to the resources that are available not only among four-year institutions but also community colleges, and at involving the industry in the design of courses.

Direct Action for Rights & Equality

Providence, Rhode Island

Direct Action for Rights & Equality (DARE) is a community organizing group that has been working to improve the economic plight of Rhode Island's working poor since 1986. For the past nine years, it has focused on improving the working conditions and wages of Rhode Island's family child-care providers for whom welfare reform was a mixed blessing. To meet the need for child care for the thousands of public-assistance recipients going back to work, the state government is planning to expand its use of local family child-care providers. With this expansion the state hopes to increase the number of child care openings relatively inexpensively: DARE has documented that family child-care providers earn a net hourly wage of $2.38. Rapid growth, however, could lead to a rise in unlicensed and unregulated care and a decline in quality of service. Building on its experience and knowledge as a voice for the state's child care providers, DARE decided to form a worker-owned cooperative to create a network of well-trained family child-care providers and a forum where caregivers could endeavor to improve their working conditions.

Organize and advocate to effect change.
DARE's key strategy will be to develop a contract with Department of Human Services (DHS) to provide child care to the state's welfare-to-work population and working poor. DARE has already played a major role in requiring the state to give health care benefits to its child-care workers and is working on a collective bargaining agreement with DHS to recognize DARE's Contract Co-op as an official bargaining agent for member providers. Such recognition would give co-op members a stronger voice in the shaping of regulatory changes that affect their businesses. DARE is also advocating to improve all salary, benefits and expense payments by the state, which it hopes will increase compensation by at least 50 percent. The Co-op is moving quickly to become an independent entity. By the end of 2000, DARE expects the cooperative to have a minimum of 100 licensed providers, serving at least 450 children.

Create a system of standards for better child-care service.
Cooperative membership will provide child care workers with access to training to improve the quality of care they give. DARE also plans to help its members obtain licensing (at present, there are nearly as many unlicensed child caregivers as licensed family child-care providers), as well as financial assistance for such items as diapers and formula, and the resource materials to improve the quality and value of services. DARE has become a respected voice in family child care by developing standards that could be transferable nationwide. To this end, it has developed a relationship with the Family Childcare Center at Wheelock College, whose resource materials DARE uses in training and which is already working to create new accreditation standards for the National Association of Family Child Care. With better trained members and government recognition, DARE's cooperative hopes to be valued for quality child care.

Develop an effective marketing strategy.
DARE will rely not only on building a reputation for quality care but also on developing a marketing plan to increase public recognition and build up its client base. DARE plans to give a series of presentations to work sites, job training sites, and local health fairs and to create a list of families and friends to refer to as potential clients. As its training program becomes more developed, the resource materials themselves will be used as a marketing tool, and their ongoing revision will help promote and associate DARE with a strategy for effective, quality care.

PHILADELPHIA AREA ACCELERATED MANUFACTURING EDUCATION, INC.

Philadelphia, Pennsylvania

Philadelphia Area Accelerated Manufacturing Education, Inc. (PhAME) was founded in 1995 by a coalition of companies, educational institutions and a community-based organization to address the employment needs of Philadelphia's manufacturing sector. The city's manufacturers have long complained that they lack enough technically trained machinists and precision manufacturing workers to expand production lines and increase contract volumes. Their traditional source of high-skilled labor—white blue-collar workers—has all but disappeared from the Philadelphia area, and manufacturers are seeking a new source of labor. Philadelphia is home to thousands of working poor and unemployed people who would benefit from a training program that would give them access to higher-paying, high-skill jobs. Until PhAME was established, the Philadelphia area lacked a strong training institution, a prerequisite for creating a workforce that meets manufacturers' needs. PhAME is working to improve the strategies designed to connect the area's low-earning residents to these jobs and to give them the interest and skills to develop careers in the manufacturing sector.

Provide extensive training. Following Focus: HOPE's model, PhAME has developed a 61-week educational program composed of four tracks: remedial education, core and advanced technical course work, and shop floor education. PhAME has targeted curricula in metal and alloy machining, and program graduates in these areas can expect to earn from $12 to $14 per hour. Candidates seeking quicker access to the job market may take only the core classroom program, which PhAME expects would allow them to earn starting salaries of $9 to $11 per hour. While all classroom and factory education takes place at PhAME (the sponsoring community development organization bought a 68,000-square-foot factory to use as a training facility), PhAME has developed contracts for instructional services through the Community College of Philadelphia and Lehigh University. The community college provides instructors, and candidates have the opportunity to transfer credits to either school if they wish to continue their education beyond the program. PhAME expects to graduate 240 candidates a year.

Build an employer base. PhAME will create a centralized hiring source for the many small and medium-sized companies that make up Philadelphia's manufacturing sector. PhAME's cooperative relationship with Greater Philadelphia First (GPF), a roundtable of CEOs working to develop a regional economic development strategy, will be key in unifying the corporate recruitment process. One of PhAME's most important relationships is with the locally based international manufacturing firm, Crown, Cork, & Seal. Committed to maintaining the competitiveness of Philadelphia as a center for manufacturing, Crown, Cork, & Seal led in founding PhAME and has enlisted many local manufacturers to get involved in a variety of ways.

Advance a regional manufacturing sector policy agenda. PhAME believes that Philadelphia's economic and workforce development policies must be more closely integrated. PhAME is working with the local Jobs Policy Network to develop a regional workforce strategy that will enhance its own effectiveness as a training program and help develop a more competitive manufacturing sector in the Philadelphia area. Thanks to the advocacy efforts of Philadelphia Interfaith Action (PIA), candidates in PhAME's precision manufacturing trades education are now eligible to receive "Living Stipends" as part of a $2 million grant from the state of Pennsylvania.

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